

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	:	
On Its Own Motion	:	
	:	01-0467
Qualified Acceptance of the Verizon	:	
North, Inc. and Verizon South, Inc.	:	
Enhanced Lifeline Proposal	:	

ORDER

By the Commission:

On October 29, 1999, the Illinois Commerce Commission ("Commission") entered an order in Docket No. 98-0866, approving the merger of GTE Corporation ("GTE") and Bell Atlantic Corporation ("BA"). The Federal Communications Commission ("FCC") entered an order on June 16, 2000, approving the merger between GTE and BA, in FCC 00-0221. On June 30, 2000, the merger was consummated.

In a Staff Report dated May 29, 2001, the Staff of the Commission's Consumer Services Division details the requirements that the FCC order placed upon Bell Atlantic and GTE regarding an enhanced lifeline plan. The FCC requirements are set forth in an attachment to the Order, "Conditions for Bell Atlantic/GTE Merger," at page 60. Under Condition XIV, BA/GTE is required to offer by letter to the appropriate state commissions to file a tariff for an enhanced Lifeline plan in the BA/GTE service area within the state. The plan to be implemented must be comparable terms and conditions of the Ameritech Ohio's Alternative Regulation Plan as in effect on January 27, 2000, in the areas of subscriber eligibility, discounts, and eligible services.

On July 5, 2000 Verizon offered the Commission a stand-alone lifeline plan that offers terms and conditions regarding discounts, subscriber eligibility, and eligible services comparable to the Ohio USA Lifeline Plan, and qualified that the plan would replace the current Lifeline Telephone Assistance Program, rather than supplementing or an optional offering of the existing Lifeline Plan.

The Staff of the Commission reviewed the offer that Verizon made in a letter to the Chief Clerk of the Commission dated July 5, 2000 in light of the requirements of Condition XIV and in light of the requirements of the Commission's own rules on the subject at 83 Ill. Adm. Code 757, "Telephone Assistance Programs." As detailed in the Staff Report, Staff originally recommended that the Commission reject the plan as offered by Verizon on the basis that the Verizon plan does not comply with the requirements of Part 757.

On June 19, 2001, in a letter from Karen H. Boswell to Cindy Jackson of the Consumer Services Division, Verizon submitted a clarification of its original proposal. This letter states that Verizon North and Verizon South are agreeable to the Commission's accepting the proposal and directing the companies to file tariffs in compliance with Part 757 and that the tariffs will increase the monthly benefits to Lifeline customers to \$10.20 per month. Furthermore, the companies have obligated themselves so that any future additions to or revisions of these tariffs will comply with Part 757 and that the tariffs filed with respect to this order will contain a breakdown of the discounts and the source of the funding for each.

The Commission having considered the entire record and being fully advised in the premises, is of the opinion and finds that:

- (1) the Commission has jurisdiction over the subject matter herein;
- (2) the Commission should take administrative notice of 83 Ill. Adm. Code 757 and FCC 00-0221;
- (3) Verizon North, Inc. and Verizon South, Inc. should be made respondents to this proceeding;
- (4) the Staff Report dated May 29, 2001 and the letter from Karen H. Boswell to Cindy Jackson should be filed in this docket and made a part of the record in this proceeding;
- (5) the recitals of fact set forth in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (6) the Commission should accept the lifeline plan offered by Verizon in its letter of July 5, 2000, as clarified by the letter of June 19, 2001;
- (7) Verizon North, Inc. and Verizon South, Inc. should file tariffs complying with Part 757 and with the offer contained in the letter of July 5, 2000, as clarified by the letter of June 19, 2001;
- (8) failure of Verizon North, Inc. and Verizon South, Inc. to comply with the filing requirement in Finding 7 above should result in the revocation of the Commission's acceptance of the offer contained in the letter of July 5, 2000, as clarified by the letter of June 19, 2001.

IT IS THEREFORE ORDERED the Illinois Commerce Commission accepts the Enhanced Lifeline Plan offered by Verizon on July 5, 2000, as clarified by the letter of June 19, 2001.

IT IS FURTHER ORDERED that the Staff Report dated May 29, 2001 and the letter from Karen H. Boswell to Cindy Jackson are made a part of the record of this proceeding.

IT IS FURTHER ORDERED that Verizon North, Inc. and Verizon South, Inc. are made respondents to this proceeding, that pursuant to their request, they are directed to file tariffs that comport with Part 757 and with the offer contained in the letter of July 5, 2000, as clarified by the letter of June 19, 2001, and that such tariffs be filed not less than 10 days before their effective date of August 27, 2001, subject to verification of compliance with this Order by the Commission Staff.

IT IS FURTHER ORDERED that failure of Verizon North, Inc. and Verizon South, Inc. to file tariffs in compliance with this Order within the time specified in this Order shall result in the Commission's revocation of its acceptance of the offer contained in the letter of July 5, 2000, as clarified by the letter of June 19, 2001.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

Entered by the Commission this 27th day of June, 2001.

Chairman